HILL RIVKINS & HAYDEN LLP Attorneys for Plaintiff 45 Broadway, Suite 1500 New York, New York 10006 Tel: (212)-669-0600

Fax: (212)-669-0699

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

IBETO PETROCHEMICAL INDUSTRIES, LTD.,

Plaintiff,

VS.

M/T "BEFFEN", her engines, boiler, tackle, equipment, etc., *in rem*, and BRYGGEN SHIPPING AND TRADING A/S, *in personam*,

Defendants.

DOCKET NO.: 05-CV-2590 (SAS)

DECLARATION OF KEITH B.
DALEN ACCOMPANYING
PLAINTIFF'S REPLY
MEMORANDUM OF LAW IN
SUPPORT OF MOTION TO DISMISS

I Keith B. Dalen, declare under penalty of perjury under the laws of the United States of America, pursuant to 28 U.S.C. § 1746, that the following is true and correct:

- Declarant re-affirms each and every statement numbered 1-12 in the Declaration of Thomas E. Willoughby in Support of [Plaintiff's] Motion to Dismiss.
- 2. Attached hereto as Exhibit 1 is a true and correct copy of a facsimile letter sent from the undersigned to the Defendant vessel owner's representative

Mr. Ian Duthie of Trimar Defense Services, Inc. on March 3, 2003, discussing the parties negotiating the possibility of substitute security with New York jurisdiction.

- Attached hereto as Exhibit 2 is a true and correct copy of a letter from the undersigned to Mr. Ian Duthie, dated March 29, 2005, discussing the adjournment of the case in Nigeria, missed deadlines with respect to extensions, and the ongoing negotiation for substitute security.
- 4. Attached hereto as Exhibit 3 is a true and correct copy of a letter from the undersigned to Mr. Ian Duthie, dated April 11, 2005, addressing the failing discussions with respect to substitute security, and the Defendant's repeated requests for information, some of which addressed documentation previously provided.
- 5. Attached hereto as Exhibit 4 is a true and correct copy of a letter from the undersigned to the Court, dated May, 12, 2005, indicating that it had not yet received confirmation of service upon the Defendant abroad pursuant to the Hague Convention.
- 6. Attached hereto as Exhibit 5 is a true and correct copy of the cover sheet accompanying Plaintiff's request for service upon the Defendant in Norway pursuant to the Hague Convention protocol.

- 7. Attached hereto as Exhibit 6 is a true and correct copy of a facsimile letter from the undersigned to Plaintiff's Nigerian counsel Olumide Sofowora, Esq., dated May 20, 2005, requesting that Mr. Sofowora and Defendant's Nigerian counsel obtain a second extension from the Nigerian Federal Court
- 8. Attached hereto as Exhibit 7 is a true and correct copy of a facsimile letter from the undersigned to Olumide Sofowora, Esq., dated July 7, 2005, informing Mr. Sofowora of ongoing negotiations, a scheduled meeting with Defendant's representative Mr. Duthie, and requesting that Mr. Sofowora seek a third extension from the court in Nigeria.
- 9. Attached hereto as Exhibit 8 is a true and correct copy of an electronic message from Olumide Sofowora, Esq. to the undersigned, Dated July 11, 2005, explaining that he would seek yet another extension and that the Nigerian Court would be in recess from July 31, 2005 until the second week in September.
- 10. Attached hereto as Exhibit 9 is a true and correct copy of a letter from the undersigned to Mr. Duthie recapping statement made by Mr. Duthie to the undersigned as to Defendant's expected success in moving before the Nigerian Court to compel arbitration in London.

- 11. Attached hereto as Exhibit 10 is a true and correct copy of a letter from Defendant's representative Ian Duthie of Trimar Defense Services, Inc. purporting to join in London arbitration, which was already withdrawn by Plaintiff. In that letter, Defendant is mistaken that the arbitration was not to be withdrawn except upon written notice.
- 12. The Defendant was granted an extension of time in which it had to join in the arbitration that was to only be revoked in writing; this provision did not speak to the withdrawal of the arbitration itself.
- Attached hereto as Exhibit 11 is a true and correct copy of a letter from the 13. undersigned to Mr. Duthie, dated August 9, 2005, informing him that the written notice provision was only for withdrawing the extension of time to join the arbitration and not related to withdrawing the arbitration itself. The letter further reiterates that in a meeting of July 11, 2005, the undersigned informed Mr. Duthie that Plaintiff's intention was to prosecute the matter in Nigeria.
- Attached hereto as Exhibit 12 is a true and correct copy of a fax letter 14. from Mr. Mark Hamsher, the appointed arbitratior, to Mr. Duthie, dated August 9, 2005, expressing confusion as to Defendant's attempt to join the arbitration that was previously withdrawn by Plaintiff.

Filed 10/14/2005

15. Attached hereto as Exhibit 12 is a true and correct copy of a letter from the undersigned to Judge Gorenstein, dated August 11, 2005, submitting that Plaintiff would voluntarily discontinue this action. The date of the letter was coterminous with Plaintiff's receipt of a copy of Defendant's Amended Answer, for the first time asserting "counter-claims", and only six days after Defendant filed its answer.

The undersigned, to his knowledge, and based upon information conveyed 16. by Mr. Sofowora in Nigeria is informed that as of September 23, 2005, Defendant, via its Nigerian counsel, has made a Motion on Notice before the Nigerian Federal Court to compel arbitration in London.

Dated: October 14, 2005.

Keith B. Dalen (KD-4997)

Keith B. Dalen (KD-4997)

45 Broadway - Suite 1500 New York, New York 10006-3739

212-669-0600

Fax: 212-669-0698/99

E-mail: The Firm @ Hill Rivkins.com

FROM: Voith R. Dolon		
March 3, 2005		
TOTAL NO. OF PAGES INCLUDING COVER:		
OUR FILE NUMBER: 28660-KBD/LRL		
YOUR REFERENCE NUMBER:		
☐ PLEASE COMMENT	☐ PLEASE REPLY	☐ PLEASE RECYCLE
	DATE: Marc TOTAL NO QUE FILE 1 2866 YOUR REF	March 3, 2005 TOTAL NO. OF PAGES INCLUDING C OUR FILE NUMBER: 28660-KBD/LRL YOUR REFERENCE NUMBER:

Pursuant to your e-mail of 2 March 2005, I would like the following language to be in your extension of suit time:

> "The M/T BEFFEN and Bryggen waive any defenses arising out of the commencement and/or dismissal of the suit in Nigeria and agree that suit against the M/T BEFFEN and her owners is timely as of this date and hereby agree to extend the time in which to commence suit and/or demand arbitration for the alleged damages to the cargo up to and including June 5, 2005."

Keith B. Dalen

/cb

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RIVKINS

HILL RIVKINS & HAYDEN LLP

45 Broadway, Suite 1500, New York, NY 10006-3739 Tel: (212) 669-0600 Fax: (212) 669-0698/0699 e-mail: thefirm@hillrivkins.com

March 29, 2005

Via Telefax 212-425-8147

Trimar Defense Services Inc. 30 Broad Street – 43rd Floor New York, New York 10004-9998

Attention:

Mr. Ian Duthie

Re:

M/T BEFFEN
Paulsboro/Lagos
Bls/L #1, 2 & 3

Dated: 6 February 2004

Our File No: 28660-KBD/LRL

Dear Sirs:

Pursuant to your request, we enclose additional documents which refer to the claim by Ibeto Petrochemical Industries. With these documents and those previously forwarded to you, how the claim was adjusted and the amount of damages should be clear. We await your offer of settlement.

As to security, as you know the security in Nigeria in the form of a bank guarantee remains in place. The case in Nigeria has been adjourned to April 14, 2005. Because of missed deadlines in the past we would like to address the issue of the issuance of a Letter of Undertaking ("LOU") now. We have reviewed draft 3 of the LOU dated 24 February 2005. As we indicated to you previously we are not prepared to accept the application of COGSA to any litigation since the package limitation contained therein would limit our recovery substantially. We are prepared to accept an LOU without reference to jurisdiction in the United States. We suggest that the LOU refer to "any competent jurisdiction" or words to that effect. If you wish us to amend your draft we can do so.

NEW JERSEY OFFICE:

51 Newark Street, Suite 404 Hoboken, NJ 07030-4543 Tel: (201) 222-5180 Fax: (201) 222-5182 e-mail: thefirm@hilkrivkins.com

TEXAS OFFICE:

712 Main Street, Suite 1515 Houston, TX 7700; Tel: (713) 222-1515 e-mail: hillrivkinstes CONNECTICUT OFFICE:

06604

93% (care 1203) 367-5536 Phillriss : com

Trimar Defense Services March 29, 2005 Page Two

Should you have any questions please contact us.

We await your advices.

Very truly yours,

Keith B. Dalen

HILL RIVKINS & HAYDEN LLP

/co

Enclosures

039-trimar



45 Broadway, Suite 1500, New York, NY 10006-3739 Tel: (212) 669-0600 Fax: (212) 669-0698/0699 e-mail: thefirm@hillrivkins.com

April 11, 2005

Via Telecopier & By Hand: 212-425-8147

Trimar Defense Services Inc. 30 Broad Street – 43rd Floor New York, New York 10004-9998

Attention:

Mr. Ian Duthie

Re:

M/T BEFFEN

Paulsboro/Lagos Bls/L #1, 2 & 3

Dated: 6 February 2004 Our File No: 28660-KBD

Dear Sirs:

Further to our conversation this morning, we would like to address certain points of dispute:

1. LOU – As you know, we have been in discussions regarding the posting of an LOU to replace the bank guarantee in Nigeria. I received a number of e-mails from you in February discussing the wording of the LOU. In our numerous discussions, we had agreed in principle to United States jurisdiction. However, in your e-mail dated March 1, 2005, for the first time you indicated that United States law was to apply to the claim. As we informed you at the time, we could not agree to this provision since our claim would be adversely affected in a substantial manner.

In view of your refusal to agree to the foregoing, I requested, on March 29, 2005, an LOU without specific reference to United States jurisdiction and with a reference to "any competent jurisdiction." Not having received a response, I called you today and was informed by you that the Club would not grant an LOU in any form. In view of your refusal to provide an LOU, the bank guarantee will continue in place at undoubtedly a high cost to your client.

NEW JERSEY OFFICE:

51 Newark Street, Suite 404
Hoboken, NJ 07030-4543
Tel: (201) 222-5180 Fax: (201) 222-5182
e-mail: thefirm@hillrivkins.com

TEXAS OFFICE:

712 Main Street, Suite 1515 Houston, TX 77002-3209 Tel: (713) 222-1515 Fax: (713) 222-1359 e-mail: hillrivkinstexas@hillrivkins.com

CONNECTICUT OFFICE:

1115 Broad Street
Bridgeport, CT 06604
Tel: (203) 367-5535 Fax: (203) 367-5536
e-mail: thefirm@hillrivkins.com

April 11, 2005 Page Two

2. Settlement Discussions - In our discussions toward the end of February 2005 you advised us that you were going to try to settle the claim and requested that we provide you with a copy of the adjustment, which we provided to you on March 4, 2005. After receiving no word from you, we contacted you on the first week of March and you requested additional information as to the damages which we provided to you on March 14, 2005.

Again, with no response from you, we contacted you again and received your request for any additional documents having to do with the damages. We sent additional documents to you on March 29, 2005, and enclose a copy of our correspondence to you.

This morning we contacted you and were advised, for the first time, that you were lacking documents involving the load port. We are certainly prepared to provide any documents as long as they are requested. In point of fact, the documents that you are now requesting were provided to Trimar on May 24, 2004, as shown in our accompanying letter. We therefore see no basis for your allegation that this is some "rogue" cargo as alleged in your e-mail of this date. You use the failure to have these documents as an excuse to refuse to provide us with an LOU.

In view of the foregoing, we are prepared to litigate this matter in whatever jurisdiction is called for by the applicable documents. However, it seems that Trimar, or the Club, is unwilling to provide the security agreed to in the past, or indeed, any type of security. Your position has embarrassed us with our clients and with the Nigerian attorneys with whom we are dealing.

Given what we view as the intransigent position of the Club, we shall recommend to our clients that any future demands for security should be in the form of bank guarantees, bonds or other forms of security and not Letters of Undertaking.

Very truly yours,

HILL RIVKINS & HAYDEN LLP

Keith B. Dalen

/cb

Enclosures 040-trimar

cc:

Trimar Defense Services Inc.

(Via Telecopier: 212-425-8147)

Attn: Mr. Richard Corwin (w/enclosures)



45 Broadway, Suite 1500, New York, NY 10006-3739 Tel: (212) 669-0600 Fax: (212) 669-0698/0699 e-mail: thefirm@hillrivkins.com

May 12, 2005

Via By Hand

The Honorable Shira A. Scheindlin United States District Judge United States District Court Southern District of New York United States Courthouse 500 Pearl Street New York, New York 10007

Re:

Ibeto Petrochemical Industries, Limited v. M/T BEFFEN, et al.

05 Civ. 2590 (SAS)

Our File No: 28660-KBD

Dear Judge Scheindlin:

We represent the plaintiff, Ibeto Petrochemical Industries, Limited, in the above-captioned matter and acknowledge receipt of the Court's Order For Initial Pretrial Conference. The defendant in this matter, Bryggen Shipping And Trading A/S, is a Norwegian corporation located in Norway and has been served pursuant to the provisions of the Convention For Service Abroad Of Judicial or Extrajudicial Documents in Civil or Commercial Matters. Pursuant to the terms of the Convention, a copy of the summons and complaint translated into Norwegian was served upon the Norwegian Ministry of Justice for service upon the defendant.

As far as we can determine, the Ministry of Justice has not yet served the summons and complaint upon the defendant.

Respectfully submitted,

HILL RIVKINS & HAYDEN LLP

Keith B. Dalen

/cb 047-court

NEW JERSEY OFFICE:

51 Newark Street, Suite 404
Hoboken, NJ 07030-4543
Tel: (201) 222-5180 Fax: (201) 222-5182
e-mail: thefirm@hillrivkins.com

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712 Main Street, Suite 1515
Houston, TX 77002-3209
Tel: (713) 222-1515 Fax: (713) 222-1359
e-mail: hillrivkinstexas@hillrivkins.com

CONNECTICUT OFFICE:

1115 Broad Sweet Bridgeport, CV 06634

Tel: (203) 367-5535 Fax: (203) 367-5536 e-mail: thefirm@hillrivkins.com

REQUEST

FOR SERVICE ABROAD OF JUDICIAL OR EXTRAJUDICIAL DOCUMENTS

DEMANDE

AUX FINS DE SIGNIFICATION OU DE NOTIFICATION A L'ETRANGER D'UN ACTE JUDICIAIRE OU EXTRAJUDICIAIRE

Convention on the service abroad of judicial and extrajudicial documents in civil or commercial matters, signed at The Hague, November 15, 1965.

Convention relative à la signification et à la notification à l'étranger des actes judiciaires ou extrajudiciaires en matiere civile ou commerciale, signée à La Haye, le 15 Novembre 1965.

Identity and address of the applicant Identisé et adresse du requérant HILL RIVKINS & HAYDEN LLP 45 Broadway, Suite 1500 New York, New York 10006

Address of receiving authority Adresse de l'autorité destinataire

Ministry of Justice Boks 8005 Oslo/Dep Oslo 1, Norway

(Identity and address)					
Le requérant soussigné a l'honneur de faire parvenir—en double exemplaire—a l'autorité destinataire les documents ci-dessous énumére en la priant conformément à l'article 5 de la Convention précitée, d'en faire remettre sans retard un exemplaire au destinataire, savoir: (identité et adresse) BRYGGEN SHIPPING AND TRADING A/S, Gullskogarden, Bryggen 47, 5003 Bergen, Norway					
(a) in accordance with the provisions of sub-paragraph (a) of the					
a) selon les formes légales (article 5, alinéa premier, lettre a).	te tirst paragraph of article 5 of the Convention.*				
(b) in accordance with the following particular method (sub-nat	meranh (h) of the first paragraph of anists size				
(b) in accordance with the following particular method (sub-paragraph (b) of the first paragraph of article 5)*: b) selon la forme particulière suivante (article 5, alinéa premier, lettre b) :					
	ond paragraph of article 5)°. ne applicant a copy of the documents—and of the annexes°—with a certificate nu requérant un exemplaire de l'acte—et de ses annexes —avec l'attestation				
List of documents					
Enumération des pièces					
Summons					
Complaint	_				
	Done at Fail à New York, New York 1e26 April 2005				
	Signature and/or stamp.				

Delete if inapproprie

Raver les mentions inutiles

1 (Formerly OBD-116 which was formerly LAA-116, both of which may still be used)

USM-94 (Est. 11/22/77)

45 Broadway – Suite 1500 New York, New York 10006-3739

212-669-0600

Fax: 212-669-0698/99

E-mail: The Firm @ Hill Rivkins.com

FAC	SIMILE TRANSMITT	AL SHEET	
TO: Olumide Sofowora, Esq.	froм: Keith B. Dalen		
COMPANY: Olumide Sofowota's Chambers	DATE: May 20, 2005		
FAX NUMBER: 011-234-1-2646938/2645088	TOTAL NO. OF PAGES INCLUDING COVER:		COVER:
PHONE NUMBER:	OUR FILE NUMBER: 28660-KBD		
re: M/T BEFFEN	YOUR REFERENCE NUMBER:		
□ URGENT □ FOR REVIEW	☐ PLEASE COMMENT	☐ PLEASE REPLY	☐ PLEASE RECYCLE
NOTES/COMMENTS:			

Dear Olumide:

We are in active negotiations with the vessel owners who need more time to settle this case. They advise me that this will be the last extension that will be needed.

In view of this I would request that you get a further extension till some time in July which, given the advice of the vessel owner, should be ample to settle the matter.

The local agents are asking that the vessel owner's attorneys in Lagos cooperate with you in this regard.

As always, thank you very much for your assistance in this matter.

Regards,

Keith B. Dalen

/cb 049-olumide faxcover

[•] NOTE: THIS FACSIMILE AND ANY DOCUMENTS TRANSMITTED WITH IT ARE CONFIDENTIAL AND ARE SOLELY FOR THE USE OF THE INTENDED RECIPIENT. IF YOU ARE NOT THE INTENDED RECIPIENT OR THE PERSON RESPONSIBLE FOR DELIVERING TO THE INTENDED RECIPIENT, BE ADVISED THAT YOU HAVE RECEIVED THIS FACSIMILE IN ERROR AND THAT ANY USE IS STRICTLY PROHIBITED, IN WHICH CASE WE WOULD APPRECIATE YOUR IMMEDIATELY CONTACTING US AT THE NUMBER ABOVE.

45 Broadway - Suite 1500

New York, New York 10006-3739

212-669-0600

Fax: 212-669-0698/99

E-mail: The Firm @ Hill Rivkins.com

	FACS	SIMILE TRANSMITTA	L SHEET	
o: Olumide Sofow		FROM: Keith B. Dalen		
COMPANY:	vora's Chambers	July 7, 2005		
FAX NUMBER: 011-234-1-2640	5938/2645088	TOTAL NO. OF PAGES INCLUDING COVER:		
PHONE NUMBER:		OUR FILE NUMBER: 28660-KBD		
RE: M/T BEFFEN	1	YOUR REF	ERENCE NUMBER:	
□ urgent	☐ FOR REVIEW	☐ PLEASE COMMENT	☐ PLEASE REPLY	☐ PLEASE RECYCLE
NOTES/COMMENTS:				

Dear Olumide:

We are scheduled to meet with the vessel owner's representatives on Monday, 11 July 2005, in an attempt to settle this matter. While I believe that the likelihood is great that we will settle the case, I, nevertheless, request that you obtain a further extension from the Court until some time toward the end of August.

Thank you very much for your attention to this matter.

Kuth B. Dalen Job

Keith B. Dalen

/cb

[•] NOTE: THIS FACSIMILE AND ANY DOCUMENTS TRANSMITTED WITH IT ARE CONFIDENTIAL AND ARE SOLELY FOR THE USE OF THE INTENDED RECIPIENT. IF YOU ARE NOT THE INTENDED RECIPIED \oplus \oplus R THE PERSON RESPONSIBLE FOR DELIVERING TO THE INTENDED RECIPIENT, BE ADVISED TRACES OU HAVE RECEIVED THIS FACSIMILE IN ERROR AND THAT ANY USE IS STRICTLY PROHIBITED, IN WHICH CASE WE WOULD APPRECIATE YOUR IMMEDIATELY CONTACTING US AT THE NUMBER ABOVE.

Christine M. Burns

From: olumide sofowora [olusofy@hotmail.com]

Sent: Monday, July 11, 2005 12:29 PM

To: Christine M. Burns
Cc: Keith B. Dalen
Subject: RE: M/T BEFFEN

Dear Christine,

This is simply to confirm the receipt of your e-mail, the contents of which are same as that contained in the Fax previously received from Keith on Friday afternoon.

We shall endeavour to get the extension requested till a date in September because the Court will be proceeding on its annual vacation from 31st July, 2005 and resume about the second week in September.

Regards,

Olumide Sofowora Esq.

```
>Subject: M/T BEFFEN
>Date: Thu, 7 Jul 2005 14:35:48 -0400

Dear Olumide:

>We are scheduled to meet with the vessel owner's representatives on >Monday, 11 July 2005, in an attempt to settle this matter. While I >believe that the likelihood is great that we will settle the case, I, >nevertheless, request that you obtain a further extension from the >Court until some time toward the end of August.
```

>Thank you very much for your attention to this matter.

>From: "Christine M. Burns" <CBurns@hillrivkins.com>

>To: "olumide sofowora" <olusofy@hotmail.com>

>Regards,

>Keith B. Dalen

> >c/o Christine Burns

. Convetere to Voith D. Dalon

>Secretary to Keith B. Dalen

>and Robert G. Clyne

>Hill Rivkins & Hayden LLP

>45 Broadway, Suite 1500

New York, NY 10006-3739

>(212) 669-0623

45 Broadway, Suite 1500, New York, NY 10006-3739 Tel: (212) 669-0600 Fax: (212) 669-0698/0699 e-mail: thefirm@hillrivkins.com

Website: www.hillrivkinslaw.com

August 2, 2005

Via Telecopier & Mail: 212-425-8147

Trimar Defense Services Inc. 30 Broad Street – 43rd Floor New York, New York 10004-9998

Attention: Mr. Ian Duthie

Re: M/T BEFFEN

Your File No: 390JM2851-31P012

Our File No: 28660-KBD

"WITHOUT PREJUDICE"

Dear Sirs:

In our last meeting you mentioned that your Nigerian counsel had advised you that he expected to be successful in staying the lawsuit in Nigeria pending arbitration in London.

We contacted counsel in Nigeria regarding the foregoing and he advised us that the Admiralty Jurisdiction Act of 1991 would preclude such an action. We enclose a copy of the statute for your ready reference. It would appear that subsections a, b, d and f would apply to the subject case.

In addition to the foregoing statute, counsel believes that under Nigerian law the incorporation of a document (i.e. the charter party) to which the consignee is not a party would not be effective. In addition, it is doubtful that the arbitration clause would be enforceable under English law given the failure to mention the arbitration clause in the incorporating language in the bill of lading.

August 2, 2005 Page Two

Finally, we note that Nigerian law applies for an interest rate of 35% per annum on judgments. Utilizing such a rate of interest, our claim is now worth \$2.2 million and may well consume the full amount of the bank guarantee once the case is finally resolved.

In view of the foregoing, we renew our offer to recommend settlement of this matter for \$800,000.00. Should you fail to offer this amount and should the matter be litigated in Nigeria, we shall hold the vessel owner liable for the full amount of the loss plus interest.

Very truly yours,

HILL RIVKINS & HAYDEN LLE

/co

Enclosure

Keith B. Dalen

AUG-05-2005 11:38 P.01/02

Page 28 of 36

Trimar

Claims **Defense** Loss Prevention Defense Services, Inc. 30 Broad Street, New York, NY 10004-2944

Telefax

Date:	5 August 2005	Page:	_ l of 2
			1 01 2
From:	Ian Duthie	Teleph	one: (212) 425-5750 ext. 109
Fax:	(212) 425-8147	Email:	duthie@trimarny.com
Ref:	"BEFFEN" - Tanker Bills of ladin	g Nos 1 2	& 3 issued Paulsboro, New Jersey
	6 February 2004: Vo	was David	1. Signature of the second of
	Niconia C	yage Pauls	boro, New Jersey – Lagos,
	Nigeria. Cargo: 10,6	647.261 me	tric tons raw material for lube oil
■ To:	Hill Rivkins & Hayden	Fax:	
Attn;	Keith Dalen	Ref:	1 212 669 0698
CC:	Clyde & Co	Fax	011 44 1483 56 73 30
Attn;	Philip Rose	Ref:	011 44 (483 36 73 30
CC:	Mark Hamsher	Fax:	011 44 20 7702 2520
Attn:		Ref:	
CC:	Bryggen Shipping & Trading A/S	Fax:	011 47 55 32 68 10
Attn:		Ref;	
CC:	Gard Arendal	Fax:	
Attn:	Kim Jefferies	Ref:	
CC:	Gard (UK) Limited	Fax:	
Attn:	Kiran Khosla/Ivor Goveas	Ref:	
CC:		Fax:	
Attn:		Ref;	
CC:		Fax:	
Attne		Ref:	

AUG-05-2005 11:38 P.02/02

Trimar

Page 2 5 August 2005 BEFFEN

Message:

Dear Keith,

We refer to Clyde & Co's telefax dated 5 August 2005 to Mr. Mark Hamsher purporting to discontinue the arbitration proceedings commenced in London in respect of the captioned claims.

As you will recall, after receiving the notice of arbitration from Clyde & Co. dated 4 March 2005, in which vessel interests were asked to "join in the appointment of a sole arbitrator" and in which we were advised that claimants had nominated Mr. Mark Hamsher (who was copied into the telefax notifying of the arbitration proceedings), we contacted you and obtained from you an extension of time in respect of responding to Clyde & Co's notice. By email dated 7 March 2005 we requested that you confirm that your client would agree to such an extension and "that this time extension can only be terminated by your office/Clyde's by providing vessel interests with written notice that such extension of time is withdrawn."

By email dated 14 March 2005, you responded by confirming the extension and further confirming "that it will only be withdrawn in writing." We have never received any notice, written or otherwise, withdrawing the extension.

On behalf of vessel interests, please be advised that vessel interests accept and join in the appointment of Mr. Mark Hamsher as sole arbitrator in the London arbitration proceedings commenced by Claimants in respect of all and any claims arising under the captioned Bills of lading and charter party which is incorporated therein.

Singerely Yours,

45 Broadway, Suite 1500, New York, NY 10006-3739 Tel: (212) 669-0600 Fax: (212) 669-0698/0699 e-mail: thefirm@hillrivkins.com

Website: www.hillrivkinslaw.com

August 9, 2005

Via Telecopier: 212-425-8147 Trimar Defense Services Inc. 30 Broad Street – 43rd Floor New York, New York 10004-9998

Attention:

Mr. Ian Duthie

Re:

M/T BEFFEN Paulsboro/Lagos

Bls/L #1, 2 & 3

Dated: 6 February 2004

Our File No: 28660-KBD

Dear Sirs:

We acknowledge receipt of your letter of 5 August 2005.

Addressing the point made in your letter, our withdrawal of the arbitration in London has nothing to do with granting you an extension to respond to the demand nor to withdrawing the extension.

I remind you that in our meeting of July 11, 2005, we informed you that we intend to pursue this matter in Nigeria. At that time you were on notice that we did not intend to litigate this matter in London. Our position was further reiterated in our letter of 2 August 2005 where we informed you of advices given to us by counsel in Nigeria.

In view of the foregoing, we must reject your position. The arbitration in London has been closed and we intend to pursue recovery in Nigeria.

Very truly yours,

HILL RIVKINS & HAYDEN LLP

Keith B. Dalen

/cb 055-trimar

MARK HAMSHER



18c ENSIGN STREET LONDON E1 8JD

Telephone: 020 7265 1946 Fax: 020 7702 2520

markhamsher@ dogwatchstudios.com

Your Ref:

<u>FAX MES</u>SAGE

TO:

Trimar Defence Services Inc., New York

Attn: Mr. Ian Duthie

CC:

Hill Rivkins & Hayden

Attn: Mr. Keith Dalen

CC:

Clyde & Co., Guildford

Ref: PDR/0501480

CC:

Gard AS, Arendal

Attn: Kim Jefferies

CC:

Gard (UK) Ltd.

Attn: Kiran Khosla/Ivor Goveas

DATE:

09 August 2005

TOTAL NO. OF PAGES: 1

"BEFFEN" - C/P dated 31.12.03 / Bs/L nos. 1.2 & 3 dated 06.02.04

Thank you for my copy of your fax of 5th August to Hill Rivkins & Hayden.

I know virtually nothing about this matter because I was not aware of any developments after my initial appointment.

Perhaps I have misunderstood something, but I am puzzled by your fax. Despite the fact that Clyde & Co. have asked me to close my file, are there claims that the vessel interests intend to pursue?

It goes without saying that I would be happy to deal with any disputes as sole arbitrator, but it would help me and no doubt everybody else to be given an idea of what further disputes there might be.

Best regards and thanks,

Yean WKny Mark Hamsher

Appointments are accepted subject to the current L.M.A.A. terms



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August 11, 2005

Via Telecopier: 212-805-4268
The Honorable Gabriel W. Gorenstein United States Magistrate Judge United States District Court Southern District of New York United States Courthouse 40 Centre Street
New York, New York 10007

Re:

Ibeto Petrochemical Industries, Limited v. M/T BEFFEN, et al. 05 Civ. 2590 (SAS) Our File No: 28660-KBD

Dear Judge Gorenstein:

We represent the plaintiff, Ibeto Petrochemical Industries, Limited, in the above-captioned matter.

We are responding to a letter of counsel for defendants addressed to Judge Scheindlin who was previously assigned the case. We enclose a copy of said letter.

By way of background, this claim involves a cargo of petroleum products that were transported from Paulsboro to Lagos, Nigeria, arriving on or about March 5, 2004.

Upon arrival of the vessel the cargo was observed to be damaged. The plaintiff, receiver/assured, commenced suit against the vessel and her owners in the Nigerian Federal Court on or about March 19, 2004. The M/T BEFFEN was subsequently arrested and security was posted with the Federal High Court of Nigeria by the vessel's P & I Club in the form of a bank guarantee issued by the Union Bank of Nigeria on or about July 8, 2004. The case in Nigeria remains pending and is being prosecuted by counsel.

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In December 2004, the plaintiff's insurance claim was paid by the St. Paul Fire & Marine Insurance Company which was subrogated to all the rights of the assured, Ibeto Petrochemical Industries, Ltd.

After payment of the claim we began negotiations with the vessel's P & I Club in an attempt to settle the case and obtain new and substitute security. While the settlement negotiations were going forward and while we were awaiting word from counsel in Nigeria as to the status of the case, out of an excess of caution, and to protect the time for suit, on March 5, 2005, we demanded arbitration in London and commenced suit in New York.

When the settlement negotiations broke down, we advised the vessel's P & I Club representatives in New York that we intended to proceed with the Nigerian action. We thereupon instructed counsel in London to discontinue the action in London, which was done. It was also our intention to dismiss the action presently pending before this Court when we received a copy of the Answer to the Complaint.

In view of the foregoing, on behalf of our client, we have no objection to dismissal of the case and are prepared to submit an Order to that effect if it pleases the Court.

We thank the Court for its attention to this matter.

Respectfully submitted,

HILL RIVKINS & HAYDEN LLP

Keith B. Dalen

/cb Enclosure

056-court

cc: Mahoney & Keane, LLP

Attn: Garth S. Wolfson, Esq. Via Telecopier: 212-385-1605

